

# **EXHIBIT EE**

**From:** Robert Ladd [rladd@mgtci.com]  
**Sent:** Sunday, October 04, 2015 9:49 PM  
**To:** Joshua Silverman; Bob Holmes; Mike Onghai  
**CC:** Robert Traversa; Jay Kaplowitz; Avital Even-Shoshan  
**Subject:** Board meeting Agenda item 1: budget / cash needs / financing proposal  
**Attachments:** OCT 2015 budget Final.pdf; Investor Term Sheet Oct2015.docx

Gentlemen (and Lady...sorry Avital for missing that on the previous email!),

In preparation for tomorrow's board meeting, I have attached what I would call a steady state budget for keeping an Exchange listed company in business.

The budget includes a Controller and an Admin, but no Officer compensation. While there could be some modest savings from the \$67,000 monthly average, this budget also does not contemplate any deal fees incurred in raising capital, or in acquisitions.

As of the September 30th balance sheet, we have about \$300,000 in cash (excluding about \$150,000 in player funds that we held back for true-up in the DraftDay sale).

In the next few days, we have about \$150,000 in payables to disburse; while near term incoming receipts are limited to \$20,000 from the DraftDay credit card company holdback and \$40,000 from the office lease deposit. So that leaves us with about \$200,000.

If we get the Tera Note repayment of \$260,000 with interest, we could just about squeak by until early March, when the \$1.9 million VGGL Note is due. Tera is a big "IF" of course, although in a recent communication from them, there appears to be a slight possibility that they close on a financing by end of October and will pay us off.

As a reminder, in addition to the VGGL Note, we have roughly 1.3 VGGL common that we can sell under Rule 144 in early March also. And we have 10% residual interest in DraftDay, which is already in the process of filing an S-1.

Net-net we need some near term liquidity, and the proposed investment up for discussion is \$700,000 for 2.8 million shares of MGT common stock (at 25 cents). 2.8 million shares equals 20% pre-issuance, and 16.7% post issuance. The term sheet is attached. The wrinkle is that the investors will also get warrants for 5.6 million more shares, however, when exercised, the warrant shares are not entitled to any of our current assets, assuming we spin them off.

The investor group is led by Barry Honig, who participated in our 2012 PIPE. He is certainly controversial, but his m.o. is normally to make money the old fashioned way with the share price going up. Moreover, while we expect his help in finding a reverse takeover candidate, the financing by itself has no "features" such as board rights, security interests, ratchets, or any non standard anti dilution measures.

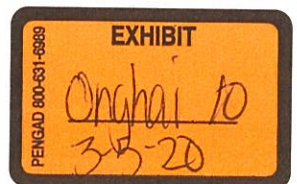
Thanks,  
Rob



(NYSE MKT: MGT)

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MGT Capital Investments, Inc.

### **Term Sheet for Private Offering of Common Share and Warrants**

*The purpose of this letter is to set forth the indicative terms pursuant to which, subject to certain conditions set forth herein, MGT Capital Investments, Inc. (the "Company") would sell certain securities to accredited investors. The terms and conditions set forth herein are subject to change and this letter does not constitute an offer; however, the Binding Terms section of the document is binding. The issuance and sale of such securities is subject to completion of due diligence to the investors' satisfaction, and the preparation of mutually satisfactory definitive documentation to execute the transaction.*

**Issuer:** MGT Capital Investments, Inc. (NYSE MKT: MGT).

**Investors:** Barry Honig, or an affiliate thereof ("Lead Investor"), and up to four other entities.

**Securities:** 2,800,000 Units at \$0.25 per Unit. Each Unit consists of one share of MGT Common Stock, par value \$0.001, plus two Warrants as more fully described below.

**Warrants:** Each Warrant entitles the holder to purchase one share of MGT common stock for \$0.25 per share, without the right to any distribution of the Company's assets in a merger (a "Qualifying Transaction"). The Warrants will have a 36-month term and will not be exercisable until the sooner of 12 months or a Qualifying Transaction. When exercisable, the Warrants will allow for cashless exercise if a registration statement is not effective, as well as a 9.9% beneficial ownership blocker. There will be no ratchets or change of control premium.

**Use of Proceeds:** The Company will use the proceeds of the transactions contemplated hereby for general corporate purposes.

**Registration Rights:** The Common Stock to be issued as well as the Common Stock underlying the Warrants will be "restricted" under the Securities Act of 1933, and cannot be sold until Registered with the SEC, unless sold pursuant to Rule 144, or other allowed exemption. The Company will offer "piggyback" registration rights to Investors on its S-3 Registration Statement presently under review at the SEC.

**Participation rights:** Lead Investor will be entitled to right of refusal of up to 50% of future financings for 12 months, with the exception of the Company's ATM program.

**Future Equity Sales:** Without the consent of Lead Investor, the Company shall not sell or issue equity (with the exception of certain permitted issuances) for five months.

**Binding Terms:**

**Expense Reimbursement:** Each party pays for their own expenses incurred in the research, preparation and review of this investment opportunity.

**Governing Law:** New York.

MGT CAPITAL INVESTMENTS, INC. (NYSE MKT: MGT)  
500 Mamaroneck Avenue Suite 204 Harrison, NY 10528  
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MGT Capital Investments, Inc.

**Confidentiality:** The existence and terms of this Term Sheet shall be kept confidential and not disclosed unless required by law, regulation, rule of stock exchange or trading system.

**Broker Fees:** No broker fee, investment banking fee, or similar fee shall be paid in conjunction with the transactions contemplated herein.

**Term of Offer:** This offer shall remain open until October \_\_\_\_, 2015 (5:00 PM EDT).

**MGT CAPITAL INVESTMENTS, INC.**

By: \_\_\_\_\_  
Name: Robert Ladd  
Title: President and Chief Executive Officer

**INVESTOR REPRESENTATIVE**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**CANCELLED**

MGT CAPITAL INVESTMENTS, INC. (NYSE MKT: MGT)  
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